

FILED 08 MAR 04 07:54 USDC-ORE

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

WILLIAM COLVIN and COLVIN  
CATTLE CO., INC.,

Civil No. 05-409-AA

Plaintiffs,

ORDER

v.

BENJAMIN J. COLVIN and JUANITA  
COLVIN,

Defendants.

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AIKEN, Judge:

Pursuant to the court's Findings of Fact and Conclusions of Law issued on August 7, 2007 and the additional information submitted by the parties, the court issues the following order.

Under the parties' Agreement to Divide Business, the parties shall form a wholly-owned subsidiary of the Corporation comprised of the 40 Bar Ranch in Nevada and other property, equipment, and assets of the Nevada ranch. Further, cash or assets equal to Ben's

shareholder equity in the Corporation shall be transferred from the Corporation to the newly-formed subsidiary. The stock of the subsidiary shall be transferred to defendants Ben and Juanita Colvin in exchange for a complete redemption of their interest in the Corporation.

With respect to the Corporation's assets, the Oregon ranch and its timber shall be valued at \$6,498,840, the 40 Bar ranch shall be valued at \$262,500, and the cattle shall be valued at \$535,832.

The parties shall calculate the adjusted shareholder equities of Bill and Ben under the framework utilized by Jim Dickey, CPA, in plaintiffs' Trial Exhibit 22. Bill's shareholder equity shall reflect the 1992 loan in the amount of \$940,157 plus \$149,514 in interest. Ben's shareholder equity shall reflect the following:

- 1) fees and trespass penalties owed to the BLM in the amount of \$116,214.84;

- 2) legal fees in the amount of \$117,272 incurred in disputing the grazing fees, trespass penalties, confiscation of cattle and appealing the BLM's decision to the IBLA;

- 3) legal fees in the amount of \$54,944.31 incurred in filing suit against the federal government in 2003;

- 4) operating losses and expenses of the Nevada ranch in the amount of \$127,328; and


- 5) depreciation in value of the Nevada ranch resulting from the loss of grazing rights in the amount of \$427,500.

If additional BLM fees in the amount of \$94,383 or outstanding legal fees incurred by Ben in the amount of \$499,265 are charged to the Corporation prior to the calculation of shareholder equities and distribution of assets to the subsidiary, those fees shall be charged to Ben personally. If BLM or legal fees are charged to the Corporation after the calculation of shareholder equities and distribution of assets, the subsidiary shall be solely responsible for such fees.

The parties shall submit a proposed form of judgment. If the parties cannot agree, they are ordered to submit an expert report calculating the parties' shareholder equities as set forth above, at which time the court shall enter final judgment.

IT IS SO ORDERED.

Dated this 2 day of March, 2008.

  
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Ann Aiken  
United States District Judge